

PBS WALL STREET WEEK
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RUKEYSER: Good evening. I'm Louis Rukeyser. This is Wall Street Week. Welcome back. Well, now we know at long last why the stock market sometimes behaves so strangely. It's all a CIA plot. Many of paranoid small investors probably have suspected that for years. This week came the dramatic confirmation. Oh, they didn't admit it all. The government still has to keep some secrets, I suppose, but it was reported that the now bankrupt brokerage firm of Bishop-Baldwin was in fact the CIA front used for foreign and domestic intelligence operations. Clearly, this was just the tip of the iceberg. You can't fool us any longer. How else do you explain the market's sudden bizarre twists and turns, not infrequently producing bankruptcy of one kind or another, or the foul-ups in the back offices or the recommendations that go awry. Now at last, we know. Your broker is not incompetent, he's just a spy. And if you were a true patriot instead of complaining the next time things go wrong in your account, you'd cheerfully declare that you regret that you have only one life's savings to give to your country and go bankrupt with a smile. This was as it happens a particularly good week to learn about this spooky involvement in Wall Street. Otherwise, investors might have been upset by the stock market's worst performance since the summer rally began, accompanied by selling that sometimes grew so hysterical that the volume of trading reached its highest level since the record week ending August 10. Obviously, it's really just a part of a clandestine effort to undermine the Sandinistas or something. As for the economy, the CIA surely must be responsible for the crafty mix of reports there: The continuing slowdown with new home sales falling and business inventories rising, the cut in short term interest rates easing the pressures that kept sending the dollar to record highs and an extraordinary day of labor peace in which tentative agreements were reached, not only by General Motors and the United Auto Workers after only the mildest and shortest of strikes but even more remarkably by the soft coal industry and the United Mine Workers, which hadn't previously reached a settlement without a strike for 20 years. And you thought the CIA couldn't do anything right. Those surprised by the news that our counterintelligence operatives were competing with Merrill-Lynch clearly have failed to note that the head of the CIA is William Casey, who previously had been head of the SEC. And so, if anything peculiar happens in any of the world's financial markets from here on in, we'll know that the only appropriate song for any of us to sing will be 'Bill Casey, won't you please go home?'. We, tonight, will get out our personal decoders and talk with one of the most fascinating investors in America, Jim Rogers, a once poor boy from Alabama who made 14 million bucks in Wall Street and then decided to call it quits at the age of 37. If we put him in charge of the CIA, the Russians would probably surrender by Thanksgiving. But first, let's don our cloaks and daggers and see what was plotted in Wall Street in the week just passed. And as the Dow Jones Industrial average indicates, it was a week of undercover and over-cover demoralization. The reversal was particularly sharp on Friday when the market opened very strong, accompanied by news of a prime rate cut by Morgan Guarantee but sold off dramatically when no other major bank followed suit. The week's nearly 36-point loss brought the Dow back to its 1200 testing level at 1201.74. The damage was notably less dramatic in the broader market indexes, though all showed declines. And the elves, at least, are smiling, since the three weeks now their Technical Market Index has been at a mildly bearish minus two. And physically, at least, the elves are always short.

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